

ORIGINAL

Attorney Name, Address, Telephone and Fax Jeremy V. Richards (CA Bar No. 102300) Linda F. Cantor (CA Bar No. 153762) Maxim B. Litvak (CA Bar No. 215852) PACHULSKI STANG ZIEHL & JONES LLP 10100 Santa Monica Blvd., 11 th Floor Los Angeles, California 90067-4100 Telephone: 310/277-6910 Facsimile: 310/201-0760	File with U.S. TRUSTEE Only RECEIVED 2009 SEP 24 A 10:50 OFFICE OF U.S. TRUSTEE SANTA ANA, CA
UNITED STATES BANKRUPTCY COURT CENTRAL DISTRICT OF CALIFORNIA	
In re: WOODSIDE GROUP, LLC, et al., ¹	Chapter 11 Case Number 6:08-bk-20682-PC (Jointly Administered)
NOTICE OF SETTING/INCREASING INSIDER COMPENSATION	

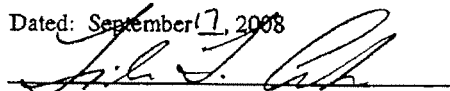
1. Name of Insider:	Ezra K. Nilson
2. Relationship to Debtor (i.e. owner, partner, officer, director, shareholder).	Officer
3. Date when relationship with Debtor commenced:	4/21/1977
4. Position title:	Chief Executive Officer
5. Position Description:	See Attachment A.
6. Assigned Duties:	See Attachment A.
7. Date employed in current position:	4/21/1977
8. If previously employed by Debtor within past two years in a different position, state position(s) and date(s).	
9. Number of hours worked per week:	50+
10. Total amount of compensation and payment interval:	\$ 21,275 Semi-monthly
11. Breakdown of compensation (specify amount and payment interval).	Semi-monthly
Salary:	\$ 20,626

¹See Notice Identifying Jointly Administered Debtors setting forth all debtors and debtors in possession in these jointly administered cases and their respective tax identification numbers [Docket No. 32].

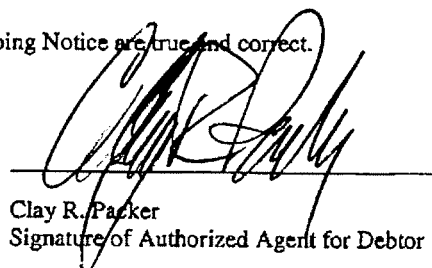
Perquisites (total, detail below):	\$ 650
Car Allowance:	Use of company vehicle
Medical & Dental Insurance:	\$ 326
Life & Disability Insurance:	\$ 0
Business Expenses:	0
Other (Specify): 401K match, if any	\$ 324
12. Identify the source of the funds to be used to pay compensations specified in No. 10:	Funds generated through normal course of Operations
13. Date and amount of last increase in compensation:	No increase since Jan. 2005. No data available prior to that date.
14. Identify any creditor who asserts a security interest (whether or not Debtor disputes the validity thereof) in the receipts generated by the operation of the Debtor's business and the amount of its claim:	N/A
15. Specify all compensation, perquisites, loans, benefits etc. received by insider from the Debtor during the twelve month period immediately preceding the filing of the Chapter 11 Petition (Attach W-2, 1099, Individual Payroll Cards and other related forms):	See Attachment B.
Compensation:	
Loans:	N/A
Perquisites (Specify):	

I declare under penalty of perjury that the answers contained in the foregoing Notice are true and correct.

Dated: September 17, 2008



Linda F. Cantor, [Proposed] Attorney for Debtor and Debtor in Possession



Clay R. Packer
Signature of Authorized Agent for Debtor

Attach proof of service on Creditors' Committee or the Twenty Largest Creditors if no committee has been formed, and to any secured creditors that claim an interest in cash collateral.

If this notice pertains to setting compensation, it must be filed and served fifteen days before any pay out of compensation, although compensation may be accrued during this period.

If this notice pertains to an increase in compensation, it must be filed and served thirty days before the date when the proposed increase takes effect.

ATTACHMENT A**Ezra K. Nilson, Chief Executive Officer (CEO)****Position Description**

Owner/CEO responsible for all aspects of Woodside Homes

Assigned Duties

Plans and directs all aspects of an organization's policies, objectives, and initiatives. Responsible for the short- and long-term profitability and growth of the company..

Performs a variety of tasks.

Leads and directs the work of others.

	Most Recent (Pre-Petition)	Proposed
Base Annual Salary (if full year)	\$495,000	\$495,000
Bonus	\$ 40,000 Cash \$40,000 Stock	Discretionary Performance Bonus
Total Annual Compensation	\$575,000	\$495,000 (plus Discretionary Performance Bonus)

General Notes